

NEWS RELEASE

SEATTLE DISTRICT

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Bellevue Food Exporter Named 2020 SBA Pacific Northwest Region Small Business Exporter of the Year

Pacific Valley Foods One of 10 Finalists for National Exporter of the Year Award as Part of Annual National Small Business Week, Shares Business Journey Before and Through Coronavirus Outbreak

SEATTLE – The U.S. Small Business Administration (SBA) 2020 Pacific Northwest Region Small Business Exporter of the Year is Pacific Valley Foods in Bellevue, WA. Pacific Valley Foods was selected among winners from Alaska, Idaho, Oregon and Washington and is one of 10 finalists for the SBA National Exporter of the Year Award.

The SBA Small Business Exporter of the Year award recognizes small businesses engaged in exporting for at least three years. Winners must demonstrate significant increase in export sales, profits and job growth, creative overseas marketing strategies, encouragement of other small businesses to export, and cooperation in the creation of export trading companies or introduction of unique trading relationships, products, or services.

Founded in 1975, Pacific Valley Foods distributes U.S. foods to international restaurants and hotels, retail grocery stores, and ingredients to manufacturers. Co-founders Scott and Lynn Hannah began the business in the basement of their home, distributing their branded line of frozen vegetables and french fries to U.S. grocery stores.

The business grew into international markets and opened offices in China, Japan, Europe and New Zealand. They have grown into a sophisticated multi-million-dollar U.S. based food distribution company, exporting to more than 25 countries.

An estimated 95% of their total sales are international. The company employs a staff of 11 and contributes significantly to supporting local agribusiness through the sale of a wide variety of frozen and shelf stable foods produced by U.S.-based farmers and food processors.

Today their children John and Susan Hannah manage the business as president and senior vice president. Notable accomplishments include being one of the first U.S. companies to export frozen foods to Japan. Pacific Valley Foods supplied the second largest retailer in Japan with french fries grown and processed in Washington state. Years later, they became a valued supplier of frozen vegetables for a global restaurant chain in China. The frozen vegetables are also grown and processed in the state.

"The Hannah family has achieved commendable business success; and, made a significant, positive impact to the Washington state economy with their export-focused business model," SBA Seattle District Director Kerrie Hurd said. "Their success also demonstrates the continued international demand for high-quality food goods from the Pacific Northwest."

The small business awards program is part of National Small Business Week, which is typically held during the first week of May every year since 1963. National Small Business Week award announcements and celebrations were postponed this year due to the Coronavirus outbreak. The 2020 dates for National Small Business Week have yet to be announced.

"We are excited to be recognized as one of the pioneers in distributing frozen U.S. foods internationally," Pacific Valley Foods Senior Vice President Susan Hannah said. "As global markets increase their need for processed foods, we are proud to be involved in the complex business of international trading, and even more proud to supply the quality products of the U.S."

Although Pacific Valley Foods had already achieved significant success in exporting with distribution deals in Japan, China, Australia and Europe, they were having difficulties breaking into the Indonesian market.

In 2018 they applied for a \$3,500 <u>SBA-funded State Trade Expansion Program (STEP) grant through the Washington State Department of Commerce</u> to finance their participation in an Indonesian food trade show. The Hannahs also sought assistance from SBA resource partner the <u>Washington Small Business</u> <u>Development Center</u> (SBDC). International Trade Adviser Ellie He advised them on strategies to increase international sales and continues to provide her support and expertise.

As a result of the STEP grant-funded trade show mission to Indonesia and SBDC advising, Pacific Valley Foods continues to follow up on promising leads and connections and anticipates expanding further into Indonesia.

As Pacific Valley Foods has grown, they've given back and shared their international sales expertise with other small businesses along the way. They partnered with a Blaine, WA-based cheesecake producer, introducing their products into the Korean market. They worked with the manufacturer to modify their crust recipe, update the labels according to country regulations and educated them on the required documents and logistics necessary to be compliant for international shipping.

Additionally, John Hannah has provided export training to small businesses at various classes and through the University of Washington while Susan Hannah sat on the advisory committee to the Washington State Department of Agriculture for several years.

Pacific Valley Foods has proven themselves creative and resilient during the pandemic. Early on they applied and were approved for the SBA Paycheck Protection Program (PPP) loan. "This helped us tremendously towards keeping everybody employed fulltime as we faced challenges caused by the pandemic," Susan Hannah said. "Through it all, we continue to believe that facing the unknown is not cause to pull back, but rather proactively move forward, redirect when necessary, and create new goals to remain successful."

After international trade shows were cancelled, they pursued new opportunities to replace where sales slowed and have remained in contact with their overseas agricultural trade offices for new leads. They continue work on a retail project for Japan by working with a local branch and shipping samples from Seattle. The Hannahs have also shown compassion and understanding to their customers with outstanding accounts, setting up flexible payment plans and offering business support.

"National Small Business Week is a time to recognize the impact entrepreneurs and small businesses have on our economy and in our local communities," SBA Pacific Northwest Regional Administrator Jeremy Field said. "Like many things in 2020, the journeys of this year's award winners took a turn most didn't anticipate. However, themes of ingenuity and tenacity remain the same as small business owners continue to inspire us in new and meaningful ways."

A celebration honoring local SBA winners from Washington and the SBA Seattle District – which serves Washington and northern Idaho – has been postponed due to the pandemic but is slated to be rescheduled once conditions are safe to do so. Other SBA local awards that will be recognized at the celebration include Small Business Person of the Year, 8(a) Graduate of the Year, Rising Startup of the Year, Veteran-Owned Small Business of the Year, Rural Small Business of the Year and Young Entrepreneur of the Year.

For more information about National Small Business Week, visit www.sba.gov/nsbw.

For more information about SBA resources to support small business exports, visit www.sba.gov/exporting.

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About the U.S. Small Business Administration

The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit www.sba.gov. The **Seattle District** serves Washington and northern Idaho with office locations in Seattle and Spokane.